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**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

<b>In re</b>	<b>X</b>	<b>Chapter 11</b>
	:	
	:	
<b>CELSIUS NETWORK, LLC, <i>et al.</i>,<sup>1</sup></b>	:	<b>Case No. 22-10964 (MG)</b>
	:	
<b>Debtors.</b>	:	<b>(Jointly Administered)</b>
	:	
	:	<b>Re: Dkt. Nos. 4264, 7555</b>
	:	
	:	
	:	
	<b>X</b>	

**FEE EXAMINER’S REPORT AND RECOMMENDATION REGARDING FINAL FEE  
APPLICATION OF RSM US LLP**

The Fee Examiner appointed in the above-captioned chapter 11 cases (the “Fee Examiner”) submits this final report (the “Report”) pursuant to the *Amended Order Appointing Independent Fee Examiner and Establishing Related Procedures for the Review of Fee Applications of Retained Professionals* [Dkt. No. 1746], and the *First Amended Order (I) Establishing Procedures for Interim Compensation and Reimbursement of Expenses for Retained Professionals and (II) Granting Related Relief* [Dkt. No. 1745], recommending the Court’s

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<sup>1</sup>The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are: Celsius Network LLC (2148); Celsius KeyFi LLC (4414); Celsius Lending LLC (8417); Celsius Mining LLC (1387); Celsius Network Inc. (1219); Celsius Network Limited (8554); Celsius Networks Lending LLC (3390); Celsius US Holding LLC (7956); GK8 Ltd. (1209); GK8 UK Limited (0893); and GK8 USA LLC (9450). The location of Debtor Celsius Network LLC’s principal place of business and the Debtors’ service address in these chapter 11 cases is 50 Harrison Street, Suite 209F, Hoboken, New Jersey 07030.

approval of the final fees and expenses outlined on the attached **Schedules A and B**, as requested by the Retained Professional<sup>2</sup> listed therein (the “**Applicant**”) and adjusted with the professional’s consent.

### **PRELIMINARY STATEMENT**

With this Report, the Fee Examiner recommends Court approval of the sole remaining final fee application. The Applicant has reached agreement with the Fee Examiner, subject to the Court’s approval, to resolve its application for fees and expenses incurred during the “**Final Fee Period**” (August 1, 2023 – November 9, 2023). This negotiated resolution is consistent with the principles and standards the Fee Examiner has developed and applied to each interim and final fee application. The negotiated adjustments satisfy the Fee Examiner that the fees and expenses recommended for Court approval are both reasonable and necessary to the administration of these cases pursuant to 11 U.S.C. §330 and related authorities.

### **BACKGROUND**

1. The Court entered the *Order (I) Authorizing the Retention and Employment of RSM US LLP as Independent Auditor for the Debtors and Debtors in Possession as of August 1, 2023, and (II) Granting Related Relief* [Dkt. No. 3715] on October 5, 2023.

2. RSM US LLP (“RSM”) filed the *Final Fee Application of RSM US LLP for Allowance of Compensation and Reimbursement of Expenses for Certain Audit Services for the Final Period from August 1, 2023 Through November 9, 2023* [Dkt. No. 4264] (the “**Initial Application**”) on January 18, 2024, requesting \$1,247,374.45 in compensation for professional services and \$32,003.70 in reimbursement of expenses.

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<sup>2</sup> Capitalized terms not otherwise defined shall have the meanings set forth in the Fee Examiner and Interim Compensation Orders.

3. On April 26, 2024, the Fee Examiner filed the *Fee Examiner's Summary Report on Fourth Interim and Final Applications Scheduled for Uncontested Hearing on May 7, 2024* [Dkt. No. 4835], recommending adjournment of the Initial Application to allow the parties to work towards a consensual resolution.

4. On June 19, 2024, the Fee Examiner filed the *Fee Examiner's Addendum to Summary Report on Fourth Interim and Final Fee Applications Scheduled for Uncontested Hearing on June 27, 2024* [Dkt. No. 4970], recommending adjournment of the Initial Application to proceed as a contested matter at the July 29, 2024 omnibus hearing.

5. Counsel for the Applicant entered a *Notice of Appearance and Request for Service of Papers* [Dkt. No. 4996] on June 27, 2024, and appeared remotely at the June 28, 2024 omnibus hearing noting her recent retention.

6. The Court entered the *Stipulation and Order Regarding Final Fee Application of RSM US LLP* [Dkt. No. 7524] on July 17, 2024 (the “**Stipulation and Order**”), establishing a procedure and schedule to govern the matter.

7. Pursuant to the Stipulation and Order, on July 26, 2024, the Applicant filed the *Amended and Restated Fee Application of RSM US LLP for a Final Allowance of Compensation and Reimbursement of Expenses for the Period from August 1, 2023 Through November 9, 2023* [Dkt. No. 7555] (the “**Amended Application**”), requesting \$1,141,934.75 in compensation for professional services and \$26,387.69 in reimbursement of expenses.

8. The Fee Examiner identified some irregularities in the Amended Application, including inconsistently recorded calls and meetings, improper time increments, block or lumped billing, apparently duplicative time entries, and undocumented expenses. In response, the Applicant provided additional explanation and documentation addressing some of the identified

issues and agreed to consensual adjustments to fees in other instances. The Fee Examiner now recommends Court approval of the Amended Application with the negotiated adjustments outlined on **Schedules A and B.**

### **CONCLUSION**

**WHEREFORE**, the Fee Examiner respectfully requests the entry of the order, substantially in the form annexed hereto as **Attachment 1**, granting the relief requested and such other and further relief as the Court may deem just and proper.

Dated: September 3, 2024.

***Counsel to the Fee Examiner***

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Case No.: 22-10964 (MG)  
Case Name: Celsius Network, LLC et al.

**CURRENT FEE PERIOD<sup>1</sup>**  
August 1, 2023-November 9, 2023

**Schedule A**

(1) Applicant	(2) Date/Document Number of Application	(3) Interim Fees Requested on Application	(4) Fees Allowed	(5) Fees to be Paid for Current Fee Period	(6) Fees to be Paid for Prior Fee Period(s) (if any) (i.e., Holdback Release)	(7) Total Fees to be Paid	(8) Interim Expenses Requested	(9) Expenses to be Paid for Current Fee Period
RSM US LLP	01/18/2024 Dkt. No. 4264  07/26/2024 Dkt. No. 7555 <sup>2</sup>	\$1,141,934.75	\$891,934.75	\$891,934.75	0	\$891,934.75	\$26,387.69	\$26,387.69

DATE ON WHICH ORDER WAS SIGNED: \_\_\_\_\_

INITIALS: \_\_\_\_\_ USBJ

<sup>1</sup> RSM US LLP did not file monthly or interim fee applications.

<sup>2</sup> Dkt. No. 7555 amended and restated Dkt. No. 4264.

Case No.: 22-10964 (MG)

Case Name: Celsius Network, LLC et al.

**FINAL FEE APPLICATION TOTALS**

August 1, 2023-November 9, 2023

**Schedule B**

(1) Applicant	(2) Total Fees Requested	(3) Total Fees Paid	(4) Total Expenses Requested	(5) Total Expenses Paid
RSM US LLP	\$1,141,934.75	0	\$26,387.69	0

DATE ON WHICH ORDER WAS SIGNED: \_\_\_\_\_

INITIALS: \_\_\_\_\_

# ATTACHMENT 1

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK

<p>-----</p> <p><b>In re</b></p> <p><b>CELSIUS NETWORK, LLC, <i>et al.</i>,<sup>1</sup></b></p> <p style="text-align: center;"><b>Debtors.</b></p> <p>-----</p>	<p>x</p> <p>:</p> <p>:</p> <p>:</p> <p>:</p> <p>:</p> <p>:</p> <p>:</p> <p>x</p>	<p><b>Chapter 11</b></p> <p><b>Case No. 22-10964 (MG)</b></p> <p><b>(Jointly Administered)</b></p> <p><b>Re: Dkt. Nos. 4264 and 7555</b></p>
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**FINAL ORDER FOR ALLOWANCE OF COMPENSATION FOR RSM US LLP  
FOR PROFESSIONAL SERVICES RENDERED AND REIMBURSEMENT OF  
EXPENSES FOR THE FINAL FEE PERIOD FROM  
AUGUST 1, 2023 THROUGH NOVEMBER 9, 2023**

Upon consideration of the *Amended and Restated Fee Application of RSM US LLP for a Final Allowance of Compensation and Reimbursement of Expenses for the Period From August 1, 2023 Through November 9, 2023* [Dkt. No. 7555] (the “**Application**”); and a hearing having been held before this court on September 12, 2024; and the Court having reviewed the Application and/or the summary report filed by the Fee Examiner on September 3, 2024, with respect to the Application [*see* Dkt. No. \_\_\_\_]; and the Court finding that: (a) the Court has jurisdiction over this matter pursuant to 28 U.S.C. §§157 and 1334; (b) notice of the Application was adequate under the circumstances; and (c) all parties with notice of the Application have been afforded the opportunity to be heard on the Application; and based on the reasoning outlined in the *Memorandum Opinion Adopting Recommendations of the Fee Examiner on the*

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<sup>1</sup>The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are: Celsius Network LLC (2148); Celsius KeyFi LLC (4414); Celsius Lending LLC (8417); Celsius Mining LLC (1387); Celsius Network Inc. (1219); Celsius Network Limited (8554); Celsius Networks Lending LLC (3390); Celsius US Holding LLC (7956); GK8 Ltd. (1209); GK8 UK Limited (0893); and GK8 USA LLC (9450). The location of Debtor Celsius Network LLC’s principal place of business and the Debtors’ service address in these chapter 11 cases is 50 Harrison Street, Suite 209F, Hoboken, New Jersey 07030.



*Fourth Interim and Final Fee Applications* [Dkt. No. 5394]; and based upon the full record of all proceedings in this case; and sufficient cause having been shown therefor, it is hereby;

ORDERED THAT:

1. The Application is granted on a final basis to the extent set forth on the attached Schedules.

2. This Court shall retain jurisdiction to hear and determine all matters arising from or related to the implementation, interpretation, and/or enforcement of this order.

IT IS SO ORDERED.

Dated: September \_\_, 2024.  
New York, New York

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Martin Glenn  
Chief United States Bankruptcy Judge